

number of minimum-size housing units which can be accommodated on suitable vacant land is about 6,400 units. This 6,400 units represents a maximum number and was derived by assuming that the 331 acres of suitable vacant land in the City of Waukesha would be developed to accommodate 4,900 minimum-size 2-bedroom units in multi-family structures and the 309 acres of suitable vacant land in the Village of Menomonee Falls would be developed to accommodate about 1,500 minimum-size three-bedroom single-family homes. If all suitable vacant land were thus utilized, the 6,400 minimum-size housing units provided would represent about 32 percent of the 19,930 housing units needed to satisfy the requirements of households with the greatest identified housing need in the County.

The foregoing analysis of community zoning regulations in Waukesha County includes information on lands within existing and planned sanitary sewer service areas, whether or not such lands are located within cities, villages, or towns, and whether or not such lands were actually served by public sanitary sewer systems. As the analysis indicates, most of the towns in the County, as well as some cities and villages, do not accommodate minimum-size housing units or minimum-size residential lots. Communities lacking existing or proposed sanitary sewer service areas cannot reasonably accommodate minimum-size residential lots or high-density multi-family development and, therefore, should not be expected to adopt zoning regulations to accommodate such development. The analysis of community zoning regulations is not intended to imply that rural communities should modify their zoning regulations to accommodate minimum-size lots or high-density residential development. Rather, the analysis is intended simply to quantify the amount of suitable vacant land potentially available within existing and planned sanitary sewer service areas to accommodate housing meeting the minimum standards as set forth in Chapter IX of the County development plan.

SUMMARY AND CONCLUSIONS

This chapter has presented the results of several inventories related to housing in Waukesha County. The most important findings of these inventories may be summarized as follows:

1. In 1990, the total housing stock within Waukesha County consisted of about 110,450 housing units. The distribution of this housing stock among the cities, villages, and towns in the County ranged from 105 in the Village of Lac

La Belle to 22,065 in the City of Waukesha. The record of residential building permits within Waukesha County provides an indication of the number of new housing units which may have been added to the County's housing stock since 1990, assuming that such permits actually resulted in the construction of new housing units. About 15,090 new housing units, representing about 14 percent of the total housing stock in 1990, were added to the County's housing stock between 1990 and 1995. The distribution of these new housing units among the cities, villages, and towns in the County ranged from two units in the Village of Lannon to about 2,040 units in the City of Waukesha.

2. There were about 81,930 owner-occupied housing units and about 24,060 renter-occupied housing units in Waukesha County in 1990, representing 77 percent and 23 percent, respectively, of the total occupied housing stock. The percentage of renter-occupied housing units in Waukesha County as a whole was significantly lower than that for the Region, 39 percent, or the State, 33 percent, in 1990. These percentages of renter-occupied housing units for the County, the Region, and the State, have not changed significantly since 1960.
3. Vacancy rates are a much-used indicator of the supply and demand in a housing market at a given point in time. The total vacancy rate of 1.9 percent for Waukesha County in 1990 was lower than that for the Region or the State, both of which had a total vacancy rate of 2.4 percent. The renter vacancy rate for an area is usually considerably higher than the homeowner vacancy rate. Indeed, the rental vacancy rate for the County was about 5.4 percent, while the homeowner vacancy rate was about 0.8 percent. The objectives, principles, and standards set forth in Chapter IX of the County development plan state that rental and homeowner vacancy rates at the County level should be maintained at a minimum of 4 percent and a maximum of 6 percent for rental units and a minimum of 1 percent and a maximum of 2 percent for homeowner units over a full range of types, sizes, and costs.

4. In 1990, about 15,380 units, or 21 percent of the owner-occupied housing units in the County, had a reported value under \$75,000; about 39,730 such units, or 54 percent, had a reported value between \$75,000 and \$125,000;

about 13,730 such units, or 19 percent, had a reported value between \$125,000 and \$200,000; and about 4,670 such units, or 6 percent, had a reported value of \$200,000 or more in 1990. The median value of owner-occupied housing units was \$96,080 for Waukesha County in 1990, significantly higher than that for the Region or the State, with median values of \$74,190 and \$62,100, respectively. Data pertaining to vacant-for-sale housing units, as enumerated in the 1990 U. S. Census, indicates an average asking price of about \$130,000 in Waukesha County in 1990. A home purchased at this price would have monthly occupancy costs of about \$1,400, which would require an annual income of about \$56,750 for a family of four to purchase.

5. In 1990, about 6,260 units, or 28 percent of the renter-occupied housing stock in the County, had a reported monthly gross rent under \$450; about 8,680 such units, or 38 percent, had a reported monthly gross rent between \$450 and \$599; about 5,150 such units, or 22 percent, had a reported monthly gross rent between \$600 and \$749; and about 2,850 such units, or 12 percent, had a reported monthly gross rent of \$750 or more. The median gross rent for renter-occupied housing units was \$540 for Waukesha County in 1990, significantly higher than that for the Region or the State, with median gross rents of \$440 and \$400, respectively.
6. About 1,200 households, or about 1.1 percent of the total households in Waukesha County, were overcrowded in 1990, according to the objectives, principles, and standards set forth in Chapter IX of the County development plan, with more than 1.01 persons per room. The percentage of households residing in overcrowded housing units was a significantly greater problem at the Region and State levels, where 2.4 percent and 2.0 percent of total households, respectively, resided in overcrowded housing units. The number and percentage of overcrowded households in the County has been decreasing steadily since 1970.
7. About 350 housing units, or 0.3 percent of the total housing units in Waukesha County, were lacking complete plumbing facilities and about 500 housing units, or 0.5 percent of the total housing units in the County, were lacking complete kitchen facilities in 1990. Such housing

units are considered substandard, based on the objectives, principles, and standards set forth in Chapter IX of the County development plan. Similar to conditions for overcrowded housing, the Region and the State exhibited somewhat higher percentages of housing units lacking complete plumbing or kitchen facilities when compared to Waukesha County. The number and proportion of substandard housing units in Waukesha County has been decreasing steadily since 1970.

8. About 20,360 households, or 19 percent of the total households in Waukesha County, paid more than 30 percent of their adjusted gross income for housing in 1990, signaling a potential economic burden. Such housing units are considered to be in economic need, based on the objectives, principles, and standards set forth in Chapter IX of the County development plan. The percentage of total households with a high housing-cost burden was somewhat lower in the County than in the Region or the State, but nevertheless represented a significant percentage of households in the County, given the relatively high incomes exhibited by County residents. The 20,360 households identified through the Federal Comprehensive Housing Affordability Strategy Databook as having a high housing-cost burden includes about 6,890 households with 1989 incomes above \$27,500. These 6,890 households presumably had the option of securing adequate and affordable housing through the market, but it may be assumed that they chose to spend more than 30 percent of their income for housing. The remainder of about 13,470 households are those in greatest housing need, most likely unable to secure adequate housing through the market while spending no more than 30 percent of their income for housing. The number and percentage of households spending more than 30 percent of their income for housing, that is, the number and proportion of households with a high housing-cost burden, in Waukesha County has been increasing steadily since 1972.
9. Nonresident County worker households with 1989 incomes below \$27,500, considered to have housing needs which were not being met through the market at a cost commensurate with their incomes, numbered about 12,920 in 1990. It is likely that some of those households would choose to reside in Waukesha County, given the opportunity to do so without

paying an even larger disproportionate share of their incomes for housing. Definitive information concerning the number of nonresident County worker households that would prefer to reside in the County was not available. It was therefore assumed that one-half of such households, or about 6,460 households, would choose to reside in the County if they could afford to. When combined with the approximately 13,470 resident households similarly situated, the total number of households in greatest economic need approximates 19,930.

10. The array of local, State, and Federal housing programs which are intended to make housing more affordable in the County are diverse, dealing with a full range of housing and housing-related issues. That array of programs is also dynamic, with programs and funding availability almost continually changing. Although many local housing programs receive funding from State or Federal sources, the local programs are at the forefront in addressing housing problems in Waukesha County and are the key to successful implementation of housing initiatives and programs in the County. At the State level, housing programs are administered by the Wisconsin Department of Administration, Division of Housing, and by the Wisconsin Housing and Economic Development Authority. At the Federal level, housing programs are administered by the U. S. Department of Housing and Urban Development and by the U. S. Department of Agriculture, Farmers Home Administration. The housing programs operating in the County served about 4,000 households in 1994, about 2,300 of which were served under the Federal Section 8 Low-Income Rental Assistance Program and the Federal Low-Income Public Housing Program administered by the U. S. Department of Housing and Urban Development.

11. The estimated cost of constructing new minimum-size housing in Waukesha County in 1994 ranged from about \$105,400 for a three-bedroom single-family housing unit situated on a 7,200 square foot lot, to about \$35,200 for a one-bedroom housing unit in a multi-family structure developed at an overall density of about 14 units per acre. In comparison, with respect to 2-bedroom housing units within all three of the different structure types, the estimated cost to provide a minimum-size two-bedroom single-family home, about \$85,400,

was \$25,100, or about 42 percent, more than the \$60,300 to provide a minimum-size two-bedroom housing unit in a two-family structure, and about \$36,300, or about 74 percent, more than the \$49,100 to provide a minimum-size two-bedroom unit in a multi-family structure. Opportunities for significant savings can be realized by providing new housing units in two- and multi-family structures.

12. The monthly cost to occupy new minimum-size housing in Waukesha County in 1994 ranged from about \$1,140 for a three-bedroom single-family home to about \$445 for a one-bedroom housing unit in a multi-family structure. For comparison, with respect to two-bedroom housing units within all three of the different structure types, the monthly cost to occupy a minimum-size two-bedroom single-family home, about \$910, was \$260, or about 40 percent more than the \$660 monthly cost to occupy a minimum-size two-bedroom housing unit in a two-family structure, and about \$310, or about 52 percent more than the \$450 monthly cost to occupy a minimum-size two-bedroom unit in a multi-family structure.

13. Households with a 1989 income of \$27,500, the threshold income above which it has been shown that housing could be obtained through the market without exceeding, on average, the 30 percent of income standard for housing costs, would, accounting for the effects of general inflation, have an equivalent 1994 income of \$33,240. Such households would, on the basis of the appropriate deduction for dependent children, have a monthly housing allowance enabling them to afford residing in a new minimum-size two-bedroom housing unit within either a two-family or multi-family structure, as well as in a new minimum-size one-bedroom unit within a multi-family structure, in 1994. However, such households, without special financial assistance, would be unable to afford residing in a new minimum-size two- or three-bedroom unit in a single-family structure, as well as a new minimum-size 3-bedroom unit in a two-family structure. It should be noted that local housing programs providing down-payment and closing-cost assistance and flexible borrowing options, as described earlier in this chapter, are available to income-eligible families in the County. Such programs are intended to make single-family homes affordable to families which, without some form of special financial assistance,

tance, may otherwise be unable to purchase a single-family home. These programs will continue to be needed by local families to bridge the gap between household income and the cost of a single-family home.

14. The affordability of median-value and median-asking-price housing in the County can be expressed in terms of minimum annual income, or hourly wage levels, necessary to afford such housing, using cost information on the existing housing stock and applying the 30 percent of income standard for housing costs. In that respect, a family of four with two children would need an annual income of about \$42,520, or an hourly wage of about \$20.45, to purchase a median-value home, priced at about \$96,080, in the County in 1990. That same family would need an annual income of about \$56,760, or an hourly wage equivalent of about \$27.30, to purchase a median-price vacant-for-sale housing unit, priced at about \$130,000, in the County in 1990. It is thus evident that jobs paying less than \$10 per hour are ineffective in terms of enabling persons or families to obtain adequate housing in Waukesha County.
15. Analyses of community zoning patterns in Waukesha County indicated that suitable vacant residentially zoned land located within existing or planned sanitary sewer service areas encompassed about 24,900 acres in 1993. About 640 acres, or 3 percent of such lands, in the City of Waukesha and the Village of Menomonee Falls, were zoned to accommodate a minimum-size three-bedroom single-family home and lot. About 331 acres, or about 1 percent, all located in the City of Waukesha, were zoned to accommodate a minimum-size three-bedroom housing unit in a two-family structure on a minimum-size lot. About 331 acres, or about 1 percent, all located in the City of Waukesha, were zoned to accommodate a minimum-size two-bedroom unit in a multi-family structure at densities equal to, or exceeding, about 14 units per acre. If all such suitable vacant land was utilized to construct new minimum-size housing, a total of about 6,400 minimum-size housing units could be accommodated, representing about one-third of the 19,930 housing units needed to satisfy the requirements of households with the greatest identified housing need in the County. Even under such conditions, however, many lower-income households would require special financial assistance to occupy minimum-size housing

units without expending more than 30 percent of their income for housing.

Three basic conclusions may be drawn from the foregoing data presented in this chapter, as follows:

1. The great majority of housing problems experienced by households in Waukesha County are economic in nature. Problems relating to overcrowded and substandard housing in the County were minimal in 1990, affecting about 1,200 households, or about 11 percent of the total households in the County. A significant portion of the households residing in the County in 1990, about 13,470 households, or 13 percent of the total households in the County, involuntarily paid more than 30 percent of their adjusted gross income for housing. An additional 6,460 nonresident County worker households were also in such need, and perhaps would reside in Waukesha County, given the opportunity to do so. The total number of households in economic need in 1990, then, approximates 19,930.
2. Even if minimum-size housing units on minimum-size single-family or two-family lots, or at multi-family densities equal to, or exceeding, about 14 units per net acre, or about 3,000 square feet of site area per dwelling unit, could be produced by the private sector throughout the County, many lower-income households would still be unable to afford the monthly occupancy costs required to reside in adequate housing. New minimum-size single-family homes, both two- and 3-bedroom, would not be affordable to households with 1994 incomes below \$33,240. Moreover, households with 1994 incomes of \$12,100 would be unable to afford even the smallest new minimum housing unit in any structure type. Accordingly, the public sector and nonprofit organizations, in partnership with the private sector, need to facilitate the provision of new affordable housing with a percentage of units being set aside for lower-income citizens and working households in the County.
3. A very small portion of suitable vacant lands zoned for residential use within existing and planned sanitary sewer service areas in the County, about one square mile, were zoned to accommodate the provision of minimum-size housing units on minimum-size single- and two-family residential lots, or at multi-family densities equal to, or exceeding, about 14 units

per net acre. This land was located in only two communities, the City of Waukesha and the Village of Menomonee Falls. The number of minimum-size housing units that could be provided on such lands approximates 6,400, depending upon the extent to which the land is used for two- and/or multi-family housing. This represents about one-third of the 19,930 housing units needed to satisfy the requirements of households with the greatest identified housing need in the County.

The foregoing findings and conclusions relate to the housing need, almost exclusively economic in character, of households presently residing in Waukesha County and of households with one or more individuals who work in Waukesha County but who presently reside outside the County and who might be expected to move into the County. The need is clearly related in part to the existence of jobs with wage or salary levels at which it is difficult or impossible for the workers concerned to obtain minimally adequate housing at a cost commensurate with the incomes provided by these jobs. The data presented in the Housing Needs section of this Chapter indicate that about 60,000 workers, or a little more than one-third of the persons reporting Waukesha County as their place of work in 1990, earned less than \$15,000 per year in 1989 (see Table 100). On the basis of the Consumer Price Index for the Milwaukee Area, this same group of workers may be assumed to be earning less than \$18,000 per year in terms of 1994 dollars. The data presented in the Housing Needs section of this chapter also indicate that about 90,000 County workers, or a little more than one-half of the persons reporting Waukesha county as their place of work in 1990, earned less than \$22,500 per year in 1989. This same group of workers may be assumed to be earning less than \$27,000 per year in terms of 1994 dollars.

On the basis of the information presented in this chapter, it may be concluded that the minimum wage or salary which could be paid to individuals residing in one-person households that would enable those individuals to afford a minimum-size 1-bedroom condominium apartment is about \$18,000 annually (see Table 109), or \$8.65 per hour.³² This assumes that the individuals would be able to acquire a minimum down payment of about

\$3,500.³³ For those same individuals to be able to afford a minimum-size two-bedroom unit within a condominium duplex would require, in addition to a \$6,000 down payment,³³ an annual salary of \$27,000 (see Table 109), or \$13.00 per hour.³² Anything less than these wage or salary levels would price those individuals out of the minimum new home market and, in effect, require those individuals to: 1) spend more than 30 percent of their household income for housing, 2) find lower cost minimum housing outside of the County, or 3) secure government aid that transfers income either directly to the individual for the purposes of buying housing, or indirectly to the benefit of the individual by, for example, publicly writing down the cost of land, construction, or financing.

From the information presented in this chapter, it may also be concluded that the minimum wage or salary that could be paid to the heads of four-person households to enable such households to afford a minimum-size two-bedroom condominium apartment or a minimum-size two-bedroom unit within a condominium duplex, is about \$27,000 annually (see Table 109), or \$13.00 per hour.³² This assumes that households would be able to accumulate a minimal down payment of \$4,900³³ in the case of the apartment condominium, and of \$6,000³³ in the case of the duplex. A minimum-size two-bedroom, single-family home would require, in addition to an \$8,500 minimal down payment,³³ an annual salary of about \$37,400 per year (see Table 109), or \$18.00 per hour.³² For those same households to be able to afford a minimum-size three-bedroom single-family home would require, in addition to a \$10,500 minimal down payment,³³ an annual salary of about \$46,000 per year, or about \$22.00 per hour.³² The same objectives could be achieved if two persons in the household worked and their combined incomes equalled the minimums noted above. Anything less than these wage amounts would price those households out of the minimum new home market and require households to expend more than 30 percent of their income for housing, find lower cost housing outside of the County, or secure income transfer payments directly or indirectly through government programs.

The provision of new jobs within the County that pay at or near the minimum wage of \$4.25 per hour may be expected to result in the creation of more

³²The hourly wage was determined by dividing the annual income by 2,080 hours, the number of hours in a standard work year.

³³The down payment specified is approximately 10 percent of the purchase price of the respective housing unit.

households that will find it very difficult to obtain even minimum housing and expend no more than 30 percent of their income for housing. Indeed, the available data indicate that with respect to minimum new housing, for a four-person, two-wage earner household, even if both wage earners earned twice the minimum hourly wage, or about \$8.50 per hour, the combined household income of \$35,400 per year would not be enough to obtain a minimum-size two-bedroom single-family home, assuming that a minimal down payment of 10 percent of the purchase price could be accumulated.

The housing data presented in this chapter lead to the following conclusions relative to implications for the design of the Waukesha County development plan:

1. Housing is a legitimate land use concern to be addressed as an element of the County development plan, recognizing that land use planning and zoning are important determinants of where housing can be provided in the County.
2. A suitable supply of housing is important to sustaining the economic vitality of Waukesha

County; consequently, housing is an economic-development as well as a land-use issue.

3. There exists for many households a gap between household income and the market cost of securing housing in Waukesha County; continuing efforts are needed in both the public and private sectors to address the problem created by that gap.

Given the foregoing conclusions, it will be necessary, in the design of the Waukesha County development plan, to identify existing and planned major employment centers and devise an allocation strategy to locate housing units in proximity to such employment centers. The County development plan should also be structured to suggest ways in which public and private sector interests can work together to facilitate the provision of housing. The strategy should recognize that housing units should be well designed and integrated into a mix of housing sizes, styles, and types within appropriate subareas of Waukesha County. Such a strategy will help ensure that over time a full range of housing sizes and costs are made available in the County, creating housing diversity and attendant social and economic benefits for the existing and future residents of the County.